



# North Carolina

DEPARTMENT OF TRANSPORTATION

## Economic Development Grant Programs

NCDOT Board of Transportation

Economic Development & Intergovernmental Relations Committee

Paul Worley, CPM

Rail Division Director

August 6, 2015

# Program Overview



## Freight Rail & Rail Crossing Safety Improvement Fund

- Economic development funds – modernize and improve infrastructure and safety for short lines and add thousands of carloads to NC's rail network
- Authorized in 2013 by the General Assembly through Senate Bill 402 and utilizes dividends received from the North Carolina Railroad Company.

**Fifteen projects totaling \$ 3,749,532\* were approved by NCDOT Board of Transportation in Dec. 2014 and Jan. 2015**

\*includes project administration, engineering and inspection for track and rail access improvements

**\$3.75 million budgeted in FY2016 for the next round of FR&RCSI projects**

# Program Mechanism



## FR&RCSI Project Processes

- **Freight** – All project dollars are matched 50% or more by grantees (railroads, industries, or local governments) and include:
  - **Infrastructure Improvements** – for new or expanding industries to add traffic to the state rail network (up to 5 projects annually at \$200,000 each) – *Open application period through NCDOT's Rail Industrial Access Program (RIAP), as long as funding lasts*
  - **Short Line Revitalization** – for upgrade/modernization of rail lines, a critical economic development tool for many of NC's rural areas – *Short lines are solicited once a year to apply through NCDOT's Short Line Infrastructure Assistance Program (SIAP) application process*
  - Construction managed by grantee and overseen by NCDOT



# Program Mechanism



## FR&RCSI Project Processes

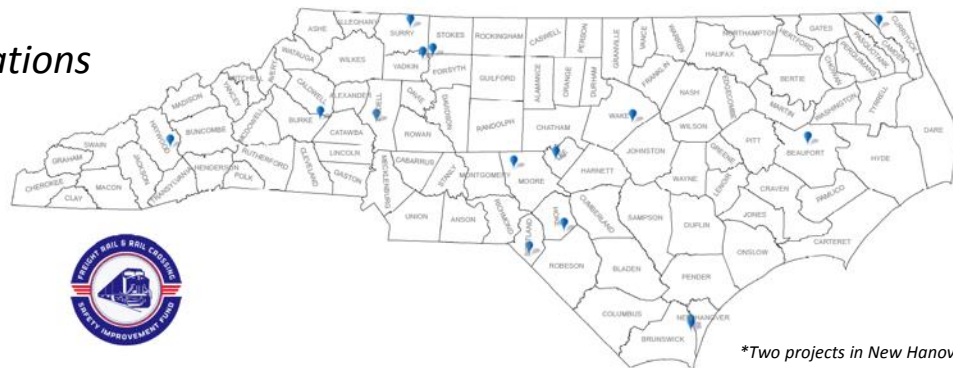
- **Safety** – close, signalize or resurface existing crossings to eliminate rail-highway hazards – *projects identified, selected and constructed by NCDOT Traffic Separation Study process*



# Program Categories – 2015

Purpose	Funds	Projects	Category	Funds Range
Crossing Closures	\$500,000	2	Crossing Closures, Street Extensions, Crossing Signals	\$200K-\$300K
Rail Access/new customers	\$200,000	1	New industrial tracks	\$200K
Rail Industrial Access	\$211,000	1	New industrial tracks	\$211K
Short Lines	\$2,437,407	10	Replacement of track, bridge timber replacement	\$88K - \$380K
State Ports	\$401,125	1	New industrial track and refurbishment	\$401K
<b>Grand Total</b>	<b>\$3,749,352</b>	<b>15</b>		

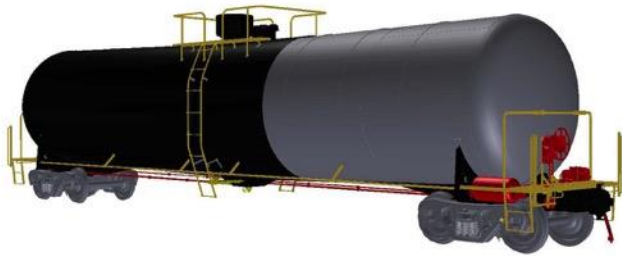
*2015 FRRCSI project locations*



\*Two projects in New Hanover County

# Vertex Railcar Corporation

**Rail Industrial Access Project** – \$200,000 FRRCSI funding (2015) assisting with industrial spur, now under construction, to serve Vertex Railcar Corporation's new Wilmington factory



***Vertex will manufacture a new generation of safer railcars including the new DOT-117 specification.***



**Commitments for creation of more than 1,000 jobs, over \$50M in capital investments, and new shipments of over 1000 cars annually.**

# Greenville Transload Facility

- \$100,000 FRRCSI funding (2014) helped build new transload facility, which opened August 18, 2014, providing additional capacity for area businesses and farmers interested in using rail
- On one year anniversary, facility had moved **753 carloads** of Ag Lime, plus a car of BioMass, *exceeding the goal of 600 cars for first year*



\$50,000 FRRCSI funding (2015) adding second transload track and siding to diversify the products served and further expand Greenville facility

